Total Integrated Procurement System

Current Status

Total Integrated Procurement System

TIPS is an on-line system which allows requesters to prepare and submit PRs electronically and buyers to perform entire procurement process on-line

TIPS will result in a vastly imporved Laboratory interface to the Procurement System.

It would provide procurement information and tools commonly required by Laboratory personnel for the requisitioning, placement, user management and administration of their procurement activities.

TIPS Benefits

◆ Electronic preparation and submittal of PRs thru the Web

◆ Front-end that helps the requester determine preferred procurement method

◆ On-line tools assist requesters and buyers throughout procurement process

◆ Continual financial validations

◆ Real time status updates for requesters

•Because PRs can be prepared and submitted on the WEB, TIPS will be accessible from Macs and Unix machines as well as PCs.

•There will be a TIPS wizard to talk the requester thru the process of preparing a PR. They will also have templates to follow for PR attachments such as statements of work and sole source memos.

•Account and program codes will be validated when the PR is written and each time it is accessed.   This will ensure that most PRs are submitted with valid codes and that the Buyer knows immediately if the codes later becomes invalid.

•The requesters will have the capability to use the Data Warehouse to find out who the buyer is and the current status of their order.

•We will be developing the ability to send the orders electronically directly to vendors. When this is achieved we will truly become a paperless system.

Development Principles

- ◆ Customer Involvement
- ◆ Take work out of the system
- ◆ Utilize prototypes
- ◆ Short-term deliverables
- ◆ Buy before build
- ◆ Common feel to all on-line forms
- ◆ Deliver information

These have been our development principles since we first organized our TIPS focus teams one year ago.

We have involved requesters, and buyers thrroughout.

Rather than just automate our current processes, we are committed to take work out of the process wherever possible

We are going to take an incremental approach by using a development lab and limited functionality pilots to test before implementation.

Also we will provide immediate Wins for the customers in the form such tools as JIT search and invoice approval.

Historically, LANL has preferred to build their own systems from scratch. In this case we are buying the major portion of TIPS and we planning to use minimize customization of the AMS product.

Whatever we do, we want to have an intuitive product with a common look and feel. This will greatly simplify our training tasks.

Finally, the product is going to gather the metrics we need and deliver needed information to our managers and customers.

Key Decision Milestones

- ◆ Focus Team Requirements Definition--Apr 96
- ◆ RFI Responses--Jun 96
- ◆ Vendor Oral Presentations--Jun/Jul 96
- ◆ Site Visits & Customer Referals Jun/Jul/Aug 96
- ◆ Decision--Sep 96
- ◆ GSA Purchase Order Award--Sep 96

After an extensive selection process, we selected "Procurement Desktop" from American Management Systems.   AMS has a proven track record in providing state of-the-art automated procurement solutions for such entities as the U.S. patent Office and the Canadian government.

They are also currently installing their system for Batelle at Pacific Northwest National Laboratory.   We are actively seeking to share enhancements with PNL especially in the areas of accounts payable and receiving.

Functional Requirements

- Electronic PRs
- GUI Interface
- Approval Routing
- Purchase Order Processing
- Automated Forms
- Document Tracking

- Contract Administration
- Management Reporting
- Past Performance Mgt
- Robust On-Line Help
- Workload Mgt

System Requirements

- ◆ Client/Server for power users
- ◆ Web front-end for requesters
- ◆ Graphical User Interface--Intuitive Icons
- ◆ Custom Integration with Legacy Systems

TIPS History

- ◆ RFI Response--16 May 96
- ◆ Visit to Batelle--14 Jun 96
- ◆ Discussion of Requirements--18 Jun 96
- ◆ System Demonstration--22/23 Jul 96
- ◆ Visit to US Patent Office--13 Aug 96
- ◆ Visit to AMS--13/14 Aug 96

TIPS History

- ◆ Conducted JAD
  - 5/6/7 Nov &19/20/21 Nov
  - Defined process
  - Identified interfaces
  - Set priorities
- ◆ Identified Pilot Division
  - CIC Division
  - May 1997

Progress to Date

- ◆ Developed functional map
  - – Compare PD to JAD defined requirements
- ◆ Incorporated TIPS focus team recommendations
- ◆ Published implementation plan
  - – Establishes schedule and tasks
- ◆ Conducted full day training
- ◆ Published Architectural Plan
  - – Defines PD integration to legacy systems
- ◆ Developed TIPS home page

On-Line Purchase Request

◆ Includes edit checks and on-line help

◆ Cut, copy and paste from word processor

◆ Expert tools for statement of work and sole source

◆ Validate accounting information

◆ Electronic review, approval and transmission

The purchase request will be completely electronic. The requester will prepare an on-line form with extensive help functions to ensure they know what information they need to provide.

If they need to prepare attachments such as statements of work or sole source memos they will be able to use MS Word to prepare the document and attach it to the Purchase Request.

We intend to provide expert tools such as those developed by DOE Albuquerque.

The PR will be routed for approval within the requester's organization and validated against Lab systems such as our financial and signature authority systems.

Then the PR package will be electronically transmitted to procurement for assignment and action.

Document Tracking

 ◆ Requester, buyer and management have continual status
   – PR receipt
   – Status of order
   – Award of order
   – Receipt at Lab
   – Delivery to drop point
 ◆ Ability to prioritize as needed

Everyone involved in the process will be able to determine the status of the request.

Workload Management

- ◆ Procurement managers know buyer workload and order status
- ◆ Electronically assign PRs
- ◆ Track activity and administrative lead times
- ◆ Work problems on real-time basis

When the team leader receives a PR, they will be able to review buyer work load before assigning the PR. The requester will be able to track order status along with management and buyers.

Vendor Management

- ◆ Vendor profile information
- ◆ Track quality and schedule performance
- ◆ Check debarred bidders list
- ◆ Provide solicitation list

Buyers and requesters will have on-line access to the vendor data base.

Management Reports
(Data Warehouse)

- ◆ Workload data
- ◆ Purchase request query
- ◆ Performance metrics
- ◆ Socio-economic metrics
- ◆ Quality metrics

We intend to use the Data Warehouse as the principal means of providing purchase request status to our customers. Other information such as performance and quality metrics may only be available to procurement managers thru TIPS Procurement desktop.

In-House Projects

- ◆ GUI search capability for JIT catalog
- ◆ Electronic invoice approval
- ◆ GUI purchase card reconciliation

We are already rolling out some on-line systems which are being managed under the TIPS umbrella.

The GUI search capability is a WEB based search engine went into production on 19 Feb 97. Requesters are able to search the JIT catalogs using key words and then click to the current ordering screens to order the items. A WEB screen will be available in late summer 1997.

The electronic invoice approval provides an image of the invoice and an approval form to invoice approvers. It is currently in use by the buyering staff and will be accessed by requesters in the April 97.

The purchase card reconciliation was implemented in Aug 96. This system not only allows purchase card holders to approve the statement of account, it validates the accounting information and routes the SOA to the approving official.

TIPS Deployment Strategy

- ◆ Customer involvement thru JADs and focus teams
- ◆ Current planning and status published on BUS home page
- ◆ Pilots conducted May 97
- ◆ Roll out from Nov 97 to Jul 98
  - – Just-in-time training
  - – On-line help
  - – Written guide books
  - – Customer support desk

•We have customers from CIC, EM and NIS directly involved in the planning and design of the system.

•All major planning documents and current program status is being published on the BUS Home Page under TIPS. This will soon include a demo which can be downloaded to a IBM compatible PC. Later a Web-based demo will be included.

•Through the use of Pilots we will work the problems out of the system before it is deployed.

•We will roll out the product on a Division by Division basis. This will allow us to provide just-in-time training to our requesters.

Summary

- ◆ Aggressive plan to implement electronic commerce
- ◆ Significant commitment of LANL resources
- ◆ Open development process
- ◆ Procurement Desktop will be unifying software